

RECORDATION NO: 24706-J FILED

SEP 15 '06

12-25 PM

SURFACE TRANSPORTATION BOARD

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WASHINGTON, D.C.

ELIAS C. ALVORD (1942)  
ELLSWORTH C. ALVORD (1964)

20036

OF COUNSEL  
URBAN A. LESTER

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September 15, 2006

Mr. Vernon A. Williams  
Secretary  
Surface Transportation Board  
Washington, D.C. 20423

Dear Mr. Williams:

Enclosed for recordation pursuant to the provisions of 49 U.S.C. Section 11301(a) are two (2) copies of an Assignment and Assumption Agreement, dated as of September 15, 2006, a secondary document as defined in the Board's Rules for the Recordation of Documents.

The enclosed document relates to the Lease Assignment Agreements previously filed with the Board under Recordation No. 24706.

The names and addresses of the parties to the enclosed document are:

Seller/Assignor: Lloyds TSB Equipment Leasing (No. 5) Limited  
c/o Lloyds TSB Bank plc  
25 Gresham Street  
London EC2V 7HN U.K.

Head Lessee: North America Rail Leasing #2 LLC  
(d/b/a Babcock & Brown Rail Leasing)  
885 Second Avenue, 49th Floor  
New York, NY 10017

Buyer/Assignee: BBRX Two LLC  
885 Second Avenue 49th Floor  
New York, NY 10017

Mr. Vernon A. Williams  
September 15, 2006  
Page 2

A description of the railroad equipment covered by the enclosed document is:

189 railcars: WC 22100 – WC 22249 and WC 37610 – WC 37649.

A short summary of the document to appear in the index is:

Assignment and Assumption Agreement.

Also enclosed is a check in the amount of \$34.00 payable to the order of the Surface Transportation Board covering the required recordation fee.

Kindly return stamped copies of the enclosed document to the undersigned.

Very truly yours,

A handwritten signature in black ink, appearing to read 'R. Alvord', with a long horizontal stroke extending to the right.

Robert W. Alvord

RWA/sem  
Enclosures

SEP 15 '06

12-25 PM

EXECUTION VERSION

## SURFACE TRANSPORTATION BOARD

## ASSIGNMENT AND ASSUMPTION AGREEMENT

This Assignment and Assumption Agreement dated as of September 15, 2006 (this "Agreement"), is between Lloyds TSB Equipment Leasing (No. 5) Limited, a limited liability company organized under the laws of England and Wales (the "Seller"), North America Rail Leasing #2 LLC (the "Head Lessee") and BBRX Two LLC, a Delaware limited liability company (the "Buyer"). Capitalized terms used herein without definition shall have the meanings ascribed thereto in the Purchase Agreement (defined below), which also contains rules of usage that apply to terms defined therein and herein.

## RECITALS:

- A. The Seller is the owner of the railcars described on Exhibit A hereto (the "Equipment").
- B. Concurrently herewith, the Seller and the Buyer have executed and delivered the Purchase Agreement dated as of the date hereof (as amended, modified or supplemented, the "Purchase Agreement") in respect of the Equipment.
- C. The Purchase Agreement contemplates the execution and delivery of this Agreement by the Seller, the Head Lessee and the Buyer on the date hereof.

NOW, THEREFORE, in consideration of the mutual promises contained herein and other consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows.

1. Assignment. Effective as to each item of Equipment from and after the date hereof, the Seller directs the Head Lessee to assign, transfer and convey to the Buyer, and each of the Seller and the Head Lessee, respectively, hereby assigns, transfers and conveys to the Buyer all of the Seller's and the Head Lessee's respective rights, title and interest, except as reserved under Section 2.1 of the Purchase Agreement, in and to such item of Equipment and assigns to the Buyer all of the Seller's and the Head Lessee's respective rights and obligations, except to the extent constituting Existing Obligations, under each of the agreements listed on Exhibit A hereto as they relate to the applicable Equipment and all of the other agreements and documents listed in Schedule 1 to the Purchase Agreement (collectively, the "Assigned Operative Agreements").

Notwithstanding the foregoing, each of the Seller, and the Head Lessee and the Buyer shall continue to be entitled to the benefit of any applicable rights to indemnification for tax and other matters which arose or may arise from or be related to any event or circumstance occurring or in existence prior to the date hereof, as specified in the Purchase Agreement.

2. Acceptance of Assignment; Effect of Assignment. The Buyer accepts the assignment contained in Section 1 and agrees to be bound to the same extent as the Seller and the Head Lessee by all the terms of the Assigned Operative Agreements. Effective on and after the

date hereof, after giving effect to the transaction described herein, the Buyer shall be deemed to stand in the place of the Seller for all purposes under the applicable Assigned Operative Agreements and each reference in the Assigned Operative Agreements to the Seller shall be deemed to mean the Buyer.

3. Amendments. No provision of this Agreement may be amended, modified or waived except by written agreement duly executed by each of the parties hereto.

4. Notices. All notices, requests or other communications to or upon any party hereto in connection herewith shall be given in the manner prescribed by Section 9.5 of the Purchase Agreement.

5. Headings. The section headings used in this Agreement are for convenience of reference only and shall not be used or construed to define, interpret, expand or limit any provision hereof.

6. Counterparts. This Agreement may be executed in separate counterparts, each of which when so executed shall be deemed to be an original and all of which taken together shall constitute one and the same agreement.

7. Governing Law. This Agreement shall be governed by, and construed and enforced in accordance with, the laws of the State of New York, without giving effect to the conflict of law rules thereof, other than Section 5-1401 of the New York General Obligations Law.

8. Recordation. The Buyer and the Seller agree to record this Agreement with the Surface Transportation Board and with the Registrar General of Canada, if applicable, to evidence the assignment by the Seller to the Buyer of the Seller's rights under the Lease, if and only if the Lease has been recorded with the Surface Transportation Board and/or the Registrar General of Canada, as the case may be.

9. Further Assurances. Each of the parties hereto covenants and agrees that, at any time and from time to time after the date hereof, at the request and expense of the requesting party hereto, it will promptly and duly execute and deliver, or cause to be executed and delivered, to the requesting party all such further instruments and take all such further action as may be reasonably requested by such party to more effectively sell, transfer, assign, and convey each item of Equipment.

10. Binding Agreement. This Agreement shall be binding upon the Seller and the Buyer, their respective successors and permitted assigns, for the use and purposes set forth and referred to herein, effective as of the date hereof.

[Remainder of page intentionally left blank]

IN WITNESS WHEREOF, this Assignment and Assumption Agreement has been duly executed by the parties hereto as of the date first above written.

LLOYDS TSB EQUIPMENT LEASING (NO. 5)  
LIMITED, as Seller

By: 

Name: OWEN HARRINGTON

Title: ATTORNEY

NORTH AMERICA RAIL LEASING #2 LLC, as  
Head Lessee

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

BBRX TWO LLC, as Buyer

By: \_\_\_\_\_

Name: \_\_\_\_\_

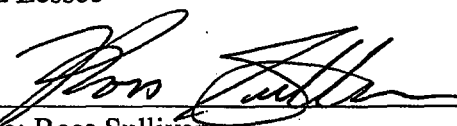
Title: \_\_\_\_\_

IN WITNESS WHEREOF, this Assignment and Assumption Agreement has been duly executed by the parties hereto as of the date first above written.

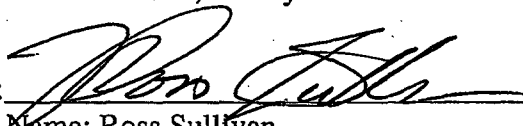
LLOYDS TSB EQUIPMENT LEASING (NO. 5)  
LIMITED, as Seller

By: \_\_\_\_\_  
Name:  
Title:

NORTH AMERICA RAIL LEASING #2 LLC, as  
Head Lessee

By:  \_\_\_\_\_  
Name: Ross Sullivan  
Title: Vice President

BBRX TWO LLC, as Buyer

By:  \_\_\_\_\_  
Name: Ross Sullivan  
Title: Vice President

State of New York )  
County of New York )

On this, the 13<sup>th</sup> day of September, 2006, before me, a Notary Public in and for said County and State, personally appeared Owen Harrington, the Attorney of Lloyds TSB Equipment Leasing (No. 5) Limited, who acknowledged himself/herself to be a duly authorized officer of Lloyds TSB Equipment Leasing (No. 5) Limited, and that, as such officer, being authorized to do so, he/she executed the foregoing instrument for the purposes therein contained.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal on the date above mentioned.

Name: Nancy J. Neubaum

Notary Public

My Commission Expires: 4/10/07

Residing in: New York, New York

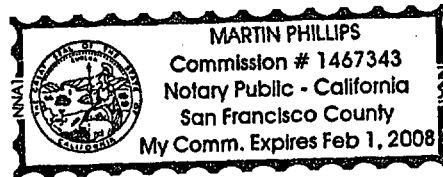
NANCY J. NEUBAUER  
Notary Public, State of New York  
No. 01NE5041602  
Qualified in New York County  
Commission Expires April 10, 2007

State of California     )  
  )  
County of San Francisco    )

On this, the 13th day of September, 2006, before me, a Notary Public in and for said County and State, personally appeared Ross Sullivan, the Vice President of North America Rail Leasing #2 LLC, who acknowledged himself/herself to be a duly authorized officer of North America Rail Leasing #2 LLC, and that, as such officer, being authorized to do so, he/she executed the foregoing instrument for the purposes therein contained.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal on the date above mentioned.

Name: Martin Phillips  
Notary Public



My Commission Expires: \_\_\_\_\_

Residing in: \_\_\_\_\_

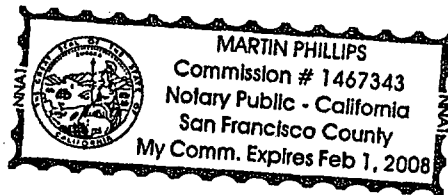


State of California            )  
  )  
County of San Francisco        )

On this, the 13th day of September, 2006, before me, a Notary Public in and for said County and State, personally appeared Ross Sullivan, the Vice President of BBRX Two LLC, who acknowledged himself/herself to be a duly authorized officer of BBRX Two LLC, and that, as such officer, being authorized to do so, he/she executed the foregoing instrument for the purposes therein contained.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal on the date above mentioned.

Name: Martin Phillips  
Notary Public



My Commission Expires: \_\_\_\_\_

Residing in: \_\_\_\_\_

**Exhibit A**  
**(to Assignment**  
**and Assumption Agreement)**

**EQUIPMENT AND LEASES**

Lease #	Lessee	# of Units	Year Built/ Manufacturer	Description	Reporting Marks	Casualty Marks
1	Tate & Lyle	50	2002 by Thrall Car Manufacturing Company	AAR Code C614, 5660 CF Pressure Differential Covered Hopper Railcar, 286,000 GRL	BBFX 76034-76083, inclusive (formerly CEFX)	None
2	Cargill	30 in 2002; 95 in 2003	2002 and 2003 by Thrall Trinity Freightcar, Inc.	AAR Code C114, 6351 CF Covered Hopper Railcar, 286,000 GRL	2002 built: CEFX 635503-635532, inclusive  2003 built: CEFX 635533-635627, inclusive  [Formerly marked as TILX]	None
3	CEMEX	100	2001 by Thrall Car Manufacturing Company	AAR Code C112, 3250 CF Covered Hopper Railcar, 286,000 GRL	CEMX 120001-120100, inclusive	None
4	Norfolk Southern	199	1998 by National Steel Car Limited	AAR Code E 241, 42' Single Covered Coil Steel Car, 286,000 GRL	NS 166060-166259, inclusive	NS 166243

Lease #	Lessee	# of Units	Year Built/ Manufacturer	Description	Reporting Marks	Casualty Marks
5	South Carolina Public Service Authority	226	2003 by Johnstown America Corporation	AAR Code K341, 4300 CF Aluminum Coal Hopper Railcar, 286,000 GRL	CEFX 64871-65100, inclusive	CEFX 64987, 65014, 65068 and 65071
6	The CIT Group/Equipment Financing, Inc./ Tennessee Valley Authority	113	2001 by Johnstown America Corporation	AAR Code K341, 4300 CF Aluminum Coal Hopper Railcar, 286,000 GRL	CEFX 63944-64063, inclusive	CEFX 63944, 63954, 63979, 63981, 64012, 64022 and 64034
7	Union Pacific Railroad	45	1998 by Trinity Industries, Inc.	AAR Code A606, Plate F Boxcar with double 8' plug door, 286,000 GRL	CHTT 101100-101144, inclusive	None
8	BC Rail Partnership #1	50	2003 by National Steel Car Limited	AAR Code F483, 73' Centerbeam Flatcar with riserless deck, 286,000 GRL	BCOL 873800-873849, inclusive	None
9	BC Rail Partnership #2	150	2003 by TrentonWorks Limited	AAR Code F483, 73' Centerbeam Flatcar with riserless deck, 286,000 GRL	BCOL 873000-873149, inclusive	None
10	Soo Line Railroad Company	100	2003 by TrentonWorks Limited	AAR Code F483, 73' Centerbeam Flatcars with riserless deck, 286,000 GRL	SOO 600000-600099, inclusive	None

Lease #	Lessee	# of Units	Year Built/ Manufacturer	Description	Reporting Marks	Casualty Marks
11	Wisconsin Central Ltd.	39	2003 by TrentonWorks Limited	AAR Code F483, 73' Centerbeam Flatcars with riserless deck, 286,000 GRL	WC 37610-37649, inclusive	WC 37630
12	BC Rail Partnership #3	148	2002 by TrentonWorks Limited	73' 0" 110-ton Centerbeam Car, Plate C 286,000 lb GRL	AOK 21230-21379, inclusive	AOK 21244 and 21364
13	Union Pacific Railroad Company	163	2002 by Gunderson, Inc.	60' 9" Plate F Boxcar, 286,000 lb GRL with 15" End of Car Cushioning, Double 8' 0" x 12' 4" Plug Doors	UP 354450-354614, inclusive	UP 354544 and 354575
14	Soo Line Railroad Company #2	99	2004 by TrentonWorks Limited	73' Centerbeam Flatcars with riserless deck, AAR Car Type Code F483, 286,000 GRL	SOO 600125-600224, inclusive	SOO 600196
15	Wisconsin Central Ltd. #2	150	Gunderson-Concarril, S.A. de C.V.	60' 9" Plate F double 8' plug door Boxcars, AAR Car Type Code A606, 286,000 GRL	WC 22100-22249, inclusive	None
16	Wisconsin Electric Power Company	300	1998 by Freight Car Services, Inc.	4480 CF outside stake aluminum BethGon Coalporter railcars, AAR Car Type Code J311, 286,000 GRL	WEPX 3025-3324, inclusive	None

Lease No. 1 – Tate & Lyle

Master Full Service Railcar Lease dated as of February 1, 2006, between Babcock & Brown Rail Leasing Co. and Tate & Lyle.

Schedule No. 01 to Master Full Service Railcar Lease dated as of February 1, 2006, between North America Rail Leasing #2 LLC (d/b/a Babcock & Brown Rail Leasing) and Tate & Lyle.

Lease No. 2 – Cargill Incorporated

Railroad Car Net Lease Agreement dated as of May 20, 1985, by and between the Seller (as ultimate assignee of Trinity Rail Leasing Trust II) and Cargill Incorporated to the extent the same relates to the Equipment.

Rider Six (6) to Railroad Car Net Lease dated as of November 12, 2002, between the Seller (as ultimate assignee of Trinity Rail Leasing Trust II) and Cargill Incorporated.

Assignment of Lease dated as of June 5, 2003, from Trinity Rail Leasing Trust II to The CIT Group/Equipment Financing, Inc.

Amendment No. 1 to Assignment of Lease dated as of November 19, 2003, effective as of June 5, 2003, by and between The CIT Group/Equipment Financing, Inc. and Trinity Rail Leasing Trust II.

Lease No. 3 – CEMEX, Inc.

Master Net Railcar Lease made as of June 1, 2002, effective as of August 6, 2001, between the Seller (as assignee of The CIT Group/Equipment Financing, Inc.) and CEMEX, Inc. to the extent the same relates to the Equipment.

Schedule No. 01 to Master Net Railcar Lease made as of June 1, 2002, effective as of August 6, 2001, between the Seller (as assignee of The CIT Group/Equipment Financing, Inc.) and CEMEX, Inc.

Lease No. 4 – Norfolk Southern Railway Company

Lease Agreement dated as of March 3, 1997, between the Seller (as ultimate assignee of Flex Leasing Corporation) and Norfolk Southern Railway Company to the extent the same relates to the Equipment.

Lease Amendment Number 1 executed and delivered February 2, 1999, between the Seller (as ultimate assignee of Flex Leasing Corporation) and Norfolk Southern Railway Company.

Rider No. 3A to Lease Agreement executed and delivered February 5, 1999, between the Seller (as ultimate assignee of Flex Leasing Corporation) and Norfolk Southern Railway Company.

Amendment Number 1 to Rider No. 3A executed and delivered August 13, 1999, between the Seller (as ultimate assignee of Flex Leasing Corporation) and Norfolk Southern Railway Company to the extent the same relates to the Equipment.

Amendment Number 2 to Rider No. 3A executed and delivered January 1, 2001, between the Seller (as ultimate assignee of Flex Leasing Corporation) and Norfolk Southern Railway Company.

Lease Extension Agreement No. 01 entered into as of September 22, 2005, between North America Rail Leasing #2 LLC (d/b/a Babcock & Brown Rail Leasing) (as assignee of the Seller) and Norfolk Southern Railway Company.

Sale, Assignment and Assumption Agreement dated as of August 31, 1999, between Flex Leasing Corporation and Flex Leasing II, LLC (with redacted Section 2.01(a), Schedule I and Schedule II thereto, which have been certified by the applicable Prior Seller as being extraneous).

Lease No. 5 – South Carolina Public Service Authority

Rider No. 1 dated as of March 31, 2003, by and between the Seller (as assignee of C.I.T. Leasing Corporation) and South Carolina Public Service Authority, as amended by Amendment to Railcar Lease Agreement made as of November 19, 2003, between the Seller (as assignee of C.I.T. Leasing Corporation) and South Carolina Public Service Authority, incorporating the terms of Railcar Lease Agreement made as of October 1, 2000, between The CIT Group/Equipment Financing, Inc. and South Carolina Public Service Authority, as amended by Amendment and Extension to Railcar Lease Agreement made as of January 15, 2003, between The CIT Group/Equipment Financing, Inc. and South Carolina Public Service Authority, (excluding Rider A and Rider B thereto, which have been redacted and which have been certified by the applicable Prior Seller as being extraneous), to the extent the same relates to the Equipment.

Lease Extension Agreement No. 01 entered into as of September 22, 2005, between North America Rail Leasing #2 LLC (d/b/a Babcock & Brown Rail Leasing) (as assignee of the Seller) and South Carolina Public Service Authority.

Lease No. 6 – Tennessee Valley Authority

Master Full Service Railcar Lease dated as of January 18, 2006, between Babcock & Brown Rail Leasing Co. and Tennessee Valley Authority.

Schedule No. 01 to Master Full Service Railcar Lease dated as of January 18, 2006, between North America Rail Leasing #2 LLC (d/b/a Babcock & Brown Rail Leasing) and Tennessee Valley Authority.

Lease No. 7 – Union Pacific Railroad Company #1

Master Car Lease Agreement dated as of June 29, 1999, by and between the Seller (as ultimate assignee of Flex Leasing Corporation) and Union Pacific Railroad Company to the extent the same relates to the Equipment.

Schedule No. 01 to Master Car Lease Agreement dated as of July 2, 1999, between the Seller (as ultimate assignee of Flex Leasing Corporation) and Union Pacific Railway Company.

Sale, Assignment and Assumption Agreement dated as of August 31, 1999, between Flex Leasing Corporation and Flex Leasing II, LLC (with redacted Section 2.01(a), Schedule I and Schedule II thereto, which have been certified by the applicable Prior Seller as being extraneous).

Amendment No. 1 to Schedule No. 01 dated as of February 28, 2002, between the Seller (as ultimate assignee of Flex Leasing Corporation) and Union Pacific Railroad Company.

Lease No. 8 – BC Rail Partnership #1

Master Railcar Lease made as of July 16, 1998, between The CIT Group/Equipment Financing, Inc. and BC Rail Partnership, incorporated by reference in Rider No. 03 to Master Railcar Lease made as of March 13, 2003, between the Seller (as assignee of C.I.T. Leasing Corporation) and BC Rail Partnership, as amended by a letter agreement among C.I.T. Leasing Corporation, BC Rail Partnership and the Seller.

Lease No. 9 – BC Rail Partnership #2

Master Railcar Lease made as of July 16, 1998, between The CIT Group/Equipment Financing, Inc. and BC Rail Partnership, incorporated by reference in Rider No. 04 to Master Railcar Lease made as of March 13, 2003, between the Seller (as assignee of C.I.T. Leasing Corporation) and BC Rail Partnership, as amended by a letter agreement among C.I.T. Leasing Corporation, BC Rail Partnership and the Seller.

Lease Extension Agreement No. 01 entered into as of May 10, 2005, effective as of August 1, 2005, between North America Rail Leasing #2 LLC (d/b/a Babcock & Brown Rail Leasing) (as assignee of the Seller) and BC Rail Partnership.

Lease No. 10 – Soo Line Railroad Company #1

Lease Agreement made as of September 1, 2003, by and between the Seller (as assignee of Greenbrier Leasing Corporation) and Soo Line Railroad Company.

Schedule No. 1 to Lease Agreement made as of September 1, 2003, by and between the Seller (as assignee of Greenbrier Leasing Corporation) and Soo Line Railroad Company.

Lease No. 11- Wisconsin Central Ltd. #1

Lease Agreement dated as of October 1, 2003, by and between the Seller (as assignee of Greenbrier Leasing Corporation) and Wisconsin Central Ltd.

Rider No. 1 to Lease Agreement made as of October 1, 2003, by and between the Seller (as assignee of Greenbrier Leasing Corporation) and Wisconsin Central Ltd.

Lease No. 12 – BC Rail Partnership #3

Lease Agreement made as of March 1, 2002, by and between the Seller, as assignee of Greenbrier Leasing Corporation, and BC Rail Partnership.

Schedule No. 2 to Lease Agreement made as of May 1, 2002, between the Seller, as assignee of Greenbrier Leasing Corporation, and BC Rail Partnership.

Lease No. 13 – Union Pacific Railroad Company #2

Master Lease Agreement made as of September 30, 2002, by and between the Seller, as assignee of Greenbrier Leasing Corporation, and Union Pacific Railroad Company.

Rider No. 1 to Master Lease Agreement dated as of September 30, 2002, by and between the Seller, as assignee of Greenbrier Leasing Corporation, and Union Pacific Railroad Company, to the extent the same relates to the Equipment described in Schedule 2 hereof.

Amendment No. 1 to Lease Rider No. 1 entered into effective on February 25, 2003, by and between the Seller, as assignee of Greenbrier Leasing Corporation, and Union Pacific Railroad Company, to the extent the same relates to the Equipment described in Schedule 2 hereof.

Lease No. 14 – Soo Line Railroad Company #2

Lease Agreement made as of September 1, 2003, by and between the Seller (as assignee of Greenbrier Leasing Corporation) and Soo Line Railroad Company.

Schedule No. 2 to Lease Agreement made as of January 1, 2004, by and between the Seller (as assignee of Greenbrier Leasing Corporation) and Soo Line Railroad Company.

Guaranty Agreement dated as of January 1, 2004, by Canadian Pacific Railway Company in favor of the Seller (as assignee of Greenbrier Leasing Corporation).

Lease No. 15– Wisconsin Central Ltd. #2

Lease Agreement dated as of October 1, 2003, by and between the Seller (as assignee of Greenbrier Leasing Corporation) and Wisconsin Central Ltd.

Rider No. 2 to Lease Agreement made as of April 1, 2004, by and between the Seller (as assignee of Greenbrier Leasing Corporation) and Wisconsin Central Ltd.



Lease No. 16 – Wisconsin Electric Power Company

Railcar Equipment Lease dated as of August 26, 1998, entered into by and between the Seller (as assignee of Banc of America Leasing & Capital, LLC) and Wisconsin Electric Power Company.

Rider 1 to Railcar Equipment Lease dated August 26, 1998, between the Seller (as assignee of Banc of America Leasing & Capital, LLC) and Wisconsin Electric Power Company.

First Amendment to Railcar Equipment Lease entered into as of January 18, 2001, between the Seller (as assignee of Banc of America Leasing & Capital, LLC) and Wisconsin Electric Power Company.

Purchase and Sale Agreement made as of September 25, 1998, by and between JAIX Leasing Company, as seller, and Banc of America Leasing & Capital, LLC (as successor by merger to NationsBanc Leasing Corporation), as buyer.